

1 **CORPORATE FRANCHISE AND INCOME TAX AMENDMENTS**

2 2015 GENERAL SESSION

3 STATE OF UTAH

4 **Chief Sponsor: Howard A. Stephenson**

5 House Sponsor: Daniel McCay

7 **LONG TITLE**

8 **General Description:**

9 This bill amends provisions related to a credit against or refund of an overpayment of
10 corporate franchise or income taxes.

11 **Highlighted Provisions:**

12 This bill:

- 13 ▶ amends provisions related to a credit against or refund of an overpayment of
- 14 corporate franchise and income taxes; and
- 15 ▶ makes technical and conforming changes.

16 **Money Appropriated in this Bill:**

17 None

18 **Other Special Clauses:**

19 This bill provides a special effective date.

20 This bill provides for retrospective operation.

21 **Utah Code Sections Affected:**

22 AMENDS:

23 **59-7-522**, as last amended by Laws of Utah 2010, Chapter 216

25 *Be it enacted by the Legislature of the state of Utah:*

26 Section 1. Section **59-7-522** is amended to read:

27 **59-7-522. Overpayments.**



28 (1) (a) Subject to Subsection (1)(b), a claim for credit or refund of an overpayment that
29 is attributable to a Utah net loss carry back or carry forward shall be filed within three years
30 from the due date of the return for the taxable year of the Utah net loss.

31 (b) The three-year period described in Subsection (1)(a) shall be extended by any
32 extension of time provided in statute for filing the return described in Subsection (1)(a).

33 ~~[(2) If an overpayment relates to a change in or correction of federal taxable income
34 described in Section 59-7-519, a credit may be allowed or a refund paid any time before the
35 expiration of the period within which a deficiency may be assessed.]~~

36 (2) The commission shall make a credit against or refund of any overpayment of a tax
37 under this chapter for a taxable year if, in accordance with Section 59-7-519:

38 (a) (i) a corporation agrees with the commissioner of internal revenue for an extension,
39 or a renewal of an extension, of the period for proposing and assessing a deficiency in federal
40 income tax for that taxable year; or

41 (ii) there is a change in or correction of federal taxable income for that taxable year;
42 and

43 (b) the corporation files a claim for the credit or refund before the expiration of the
44 time period within which the commission may assess a deficiency.

45 (3) The commission shall make a credit or refund within a 30-day period after the day
46 on which a court's decision to require the commission to credit or refund the amount of an
47 overpayment to a taxpayer is final.

48 Section 2. **Effective date -- Retrospective operation.**

49 (1) If approved by two-thirds of all the members elected to each house, this bill takes
50 effect upon approval by the governor, or the day following the constitutional time limit of Utah
51 Constitution, Article VII, Section 8, without the governor's signature, or in the case of a veto,
52 the date of veto override.

53 (2) This bill:

54 (a) has retrospective operation for a refund claim filed or pending on or after January 1,
55 2015; and

56 (b) applies to an amount for which the commission may assess a deficiency under
57 Section 59-7-519.

Legislative Review Note
as of 1-13-15 2:37 PM

Office of Legislative Research and General Counsel